



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

**Agenda Item 2c**

Joseph P. Bort MetroCenter  
101 Eighth Street  
Oakland, CA 94607-4700  
TEL 510.817.5700  
TDD/TTY 510.817.5769  
FAX 510.817.5848  
E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

TO: Administration Committee

DATE: November 7, 2012

FR: Executive Director

RE: Investment Report for September 2012

In accordance with the adopted investment policy, attached are the comprehensive investment holdings for MTC and all operating units.

Total funds under MTC management are just over \$3.9 billion. A breakdown by fund is as follows:

<u>Fund</u>	<u>Balance (\$ million)</u>	<u>% of Total</u>
BATA Admin	\$ 615.7	15.8%
BATA Projects (includes bond proceeds)	795.0	20.4%
BATA Debt Payment	196.3	5.0%
BATA Debt Service Reserve	455.9	11.6%
BATA RM2	513.6	13.1%
MTC	659.0	16.9%
BAIFA	93.3	2.4%
BART Car Exchange Program	120.5	3.1%
AB 1171	289.6	7.4%
FasTrak® (Customer Deposits)	67.0	1.7%
Clipper®	18.7	0.5%
BAHA	73.3	1.9%
SAFE	6.9	0.2%
RAFC	1.8	Less than 0.1%
Portfolio Total	\$ 3,906.6	100.0%

The Bay Area Infrastructure Financing Authority (BAIFA) funds include annual payments and reserve funds held by the trustee to retire the outstanding bonds. The BART Car Exchange fund is held in trust for future replacement of BART cars.

The portfolio consists mainly of Government Sponsored Enterprises (GSEs). The portfolio breakdown is as follows:

<u>Security Holding</u>	<u>Portfolio Composite</u>	<u>Policy Limits</u>
Fed Home Loan Bank	31.5%	No limit
Fed Home Loan Mortgage	28.8%	No limit
Fed National Mortgage Association	9.2%	No limit
Fed Farm Credit Bank	2.0%	No limit
Cash	9.4%	No limit
Gov't Pools	Less than 0.1%	No limit
CA Asset Mgmt Program (CAMP)	5.3%	No limit
Municipal Bonds	6.8%	No limit
Mutual Funds	1.9%	20% Portfolio/10% One Fund
Blackrock (BATA Trustee)	3.0%	Trustee Funds – No limit
Dreyfus (BATA Trustee)	2.1%	Trustee Funds – No limit
Goldman Sachs (BAIFA)	Less than 0.1%	Trustee Funds – No Limit
Portfolio Total	100.0%	

Funds held by trustee are subject to permitted investments authorized in the approved issuing documents and are not subject to mutual fund limits as defined by California law and the MTC Investment Policy.

The MTC portfolio holds \$263 million (7%) in variable rate demand obligations (VRDO) issued by various California local agencies. The VRDOs are recognized as short term (30 days) investment bonds for accounting classification purposes even though the various securities have maturities up to 30 years. The classification as short term investments is possible because VRDOs have “liquidity instruments” that allow the bonds to be “put” to the remarketing bank at any time with seven days’ notice.

If there are any questions, please contact Brian Mayhew at (510) 817-5730.

  
\_\_\_\_\_  
Steve Heminger

AF:SW